## AMENDED IN SENATE JUNE 21, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

No. 576

## **Introduced by Assembly Member Ting**

February 24, 2015

An act-to-amend Section 18927 of the Health and Safety Code, relating to housing. relating to highways.

## LEGISLATIVE COUNSEL'S DIGEST

AB 576, as amended, Ting. California Building Standards Commission: advisory panels. State highways: excess property.

Existing law provides that the Department of Transportation has full possession and control of state highways and associated property. Existing law governs the disposal of excess property not needed for highway purposes upon terms, standards, and conditions established by the California Transportation Commission.

This bill, notwithstanding any other provision of law, for purposes of adding certain rental housing units to a proposed residential development project adjacent to a maintenance facility of the department, if a portion of the department's property is immediately contiguous to the development project and is not independently developable, would encourage the department to find that portion of the property to be excess and to sell that portion of the property at fair market value to the owner of the contiguous property, at the owner's request, under certain conditions. The bill would require the determination of fair market value to be determined by an appraiser jointly agreed upon by the department and the contiguous property owner, based on the property's highest and best use. The bill would specify the obligations of the purchaser of the property with respect to

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the type and amount of residential rental units to be constructed on the acquired property and consistency of the construction with the general plan of the jurisdiction in which the property is located. The bill would require the purchaser of the property to agree to pay for the reconstruction of any existing buildings located on the property being acquired from the department, with the cost of construction to be deducted from the fair market value of the property being acquired. The bill would require the commission to certify compliance with all of the conditions imposed by the bill before the sale of property is finalized. The bill would require the department and the commission to complete any transaction authorized by the bill by January 1, 2020.

The California Building Standards Law establishes the California Building Standards Commission and requires the commission to appoint an executive director. The law authorizes the commission to appoint advisory panels from the design professions, the building and construction industry, the affected general public, and interested governmental agencies to advise the commission and its staff.

This bill would authorize the commission to also appoint individuals from the energy and resource efficiency professions to an advisory panel. This bill would state the intent of the Legislature to enact legislation that would promote the creation of energy and resource efficient homes in California.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. (a) Notwithstanding any other provision of law,
- 2 or any guidelines or regulations of the Department of
- 3 Transportation, for purposes of adding both market-rate and very
- 4 low income, low-income, or moderate-income rental units to a
- 5 proposed residential development project adjacent to a
- 6 maintenance facility of the department, if a portion of the
- 7 department's property is immediately contiguous to the project
- 8 and is not independently developable, the department is hereby
- 9 encouraged to find that portion of the department's property to
- 10 be excess and to sell that portion of the property at fair market
- 11 value to the owner of the contiguous property, at the owner's
- 12 request, if all of the following conditions are met:

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(1) A fair market value appraisal shall be prepared for the portion of property to be sold. The determination of the fair market value shall be based on the value of the property at its highest and best use. The department and the contiguous property owner shall jointly agree upon a professional, qualified appraiser to determine a fair market value for the property.

- (2) The purchaser of the property shall ensure, that of the incremental residential units constructed as a result of the acquisition of the property, 25 percent of the units, or whatever percentage the inclusionary zoning ordinance of the city in which the project is located requires, shall be very low income, low-income, or moderate-income rental units, and that constructing housing units on the acquired property is consistent with the general plan of the jurisdiction in which the property is located.
- (3) The purchaser of the property shall agree to pay for the reconstruction of any existing buildings located entirely or in part on the property being acquired, at a suitable location, as determined by the department, on the remaining property owned by the department. The reconstruction shall be of like kind in material and functionality. The cost of the construction shall be deducted from the fair market value of the property being acquired as determined pursuant to paragraph (1).
- (b) Any sale of property pursuant to subdivision (a) shall not be finalized until the California Transportation Commission certifies that the conditions of subdivision (a) have been met.
- (c) The department and the commission shall complete any transaction authorized by subdivision (a) on or before January 1, 2020.
- SECTION 1. It is the intent of the Legislature to enact legislation to promote the creation of energy and resource efficient homes in California.
- SEC. 2. Section 18927 of the Health and Safety Code is amended to read:
- 18927. The commission may appoint from the design professions, the energy and resource efficiency professions, the building and construction industry, the affected general public, and interested governmental agencies, appropriate advisory panels to advise the commission and its staff with respect to building standards. The persons appointed to the panels shall be specifically knowledgeable and qualified in the type of work embraced by the

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- building standards in question. These persons shall serve without
  compensation, but may receive actual necessary travel expenses.